

Auditing Procedures Report

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issued under Public Act 2 of 1968, as amended.

Unit Name	Tuscola County Medical Care Facility	County	TUSCOLA	Type	COUNTY	MuniCode	79-7-516
Opinion Date-Use Calendar	Jun 16, 2008	Audit Submitted-Use Calendar	Jun 10, 2008	Fiscal Year-Use Drop List	2007		

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No".

- ☒ 1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
- ☒ 2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
- ☒ 3. Were the local unit's actual expenditures within the amounts authorized in the budget?
- ☒ 4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
- ☒ 5. Did the local unit adopt a budget for all required funds?
- ☒ 6. Was a public hearing on the budget held in accordance with State statute?
- ☒ 7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
- ☒ 8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
- ☒ 9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
- ☒ 10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
- ☒ 11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
- ☒ 12. Is the local unit free of repeated reported deficiencies from previous years?
- ☒ 13. Is the audit opinion unqualified? 14. If not, what type of opinion is it?
- ☒ 15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
- ☒ 16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
- ☒ 17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
- ☐ 18. Are there reported deficiencies? ☐ 19. If so, was it attached to the audit report?

General Fund Revenue:	\$ 12,614,838.00
General Fund Expenditure:	\$ 12,992,432.00
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	\$ 10,366,164.00
Governmental Activities Long-Term Debt (see instructions):	\$ 9,775,000.00

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (Reported deviations).

CPA (First Name)	Gerald	Last Name	Desloover	Ten Digit License Number	1101007126				
CPA Street Address	5800 Gratiot, Suite 201, PO Box 100	City	Saginaw	State	MI	Zip Code	48605	Telephone	+1 (989) 799-9580
CPA Firm Name	Rehmann Robson	Unit's Street Address	Same as above	City	Saginaw	LU Zip	48605		

**Tuscola County
Medical Care Facility**

Caro, Michigan

Financial Statements

December 31, 2007

TUSCOLA COUNTY MEDICAL CARE FACILITY

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REHMANN ROBSON

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

June 16, 2008

Board Members
Tuscola County Medical Care Facility
Caro, Michigan

We have audited the accompanying financial statements of the ***Tuscola County Medical Care Facility***, an enterprise fund of Tuscola County, Michigan, as of and for the year ended December 31, 2007, as listed in the table of contents. These financial statements are the responsibility of the ***Tuscola County Medical Care Facility's*** management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the ***Tuscola County Medical Care Facility*** Enterprise Fund and do not purport to, and do not, present fairly the financial position of Tuscola County, as of December 31, 2007, and the changes in its financial position, or, where applicable its cash flows, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the ***Tuscola County Medical Care Facility***, as of December 31, 2007, and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

TUSCOLA COUNTY MEDICAL CARE FACILITY
STATEMENT OF NET ASSETS
DECEMBER 31, 2007

Current assets	
Cash and cash equivalents	\$ 2,307,504
Investments	1,626,511
Taxes receivable - delinquent	8,634
Accounts receivable	1,619,110
Allowance for uncollectible accounts	(89,744)
Net pension asset	185,423
Other assets	28,981
Restricted cash:	
Patient trust	15,628
Debt service	1,235,423
Total current assets	<u>6,937,470</u>
Capital assets	
Land improvements	717,813
Buildings	9,818,466
Equipment	6,709,032
Accumulated depreciation	<u>(3,440,278)</u>
Total capital assets	<u>13,805,033</u>
Total assets	<u>20,742,503</u>
Current liabilities	
Accounts payable	209,994
Accrued liabilities	187,283
Accrued interest payable	30,969
Patient trust funds	15,628
Deposits payable	27,200
Unearned revenue	224,043
Bonds payable - current	<u>775,000</u>
Total current liabilities	<u>1,470,117</u>
Long-term liabilities	
Bonds payable - net of current portion	9,000,000
Deferred discount on bonds	<u>(93,778)</u>
Total long-term liabilities	<u>8,906,222</u>
Total liabilities	<u>10,376,339</u>
Net assets	
Investment in capital assets, net of related debt	4,030,033
Restricted for	
Donor contributions	6,419
Debt service	1,235,423
Unrestricted	<u>5,094,289</u>
Total net assets	<u>\$ 10,366,164</u>

The accompanying notes are an integral part of these financial statements.

**TUSCOLA COUNTY MEDICAL CARE FACILITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007**

Revenues	
Charges for services	\$ 12,392,606
Other	<u>222,232</u>
Total revenues	<u>12,614,838</u>
Expenses	
Administration	3,488,836
Plant operations and environmental services	94,475
Maintenance	679,051
Central supply	48,487
Laundry	253,100
Housekeeping	443,205
Dietary	1,124,962
Pharmacy	293,242
Nursing	4,745,683
Restorative therapy	251,461
Laboratory	40,201
Diversional therapy	272,280
N.A. training costs	17,657
Professional services	31,200
Radiology	20,719
Depreciation expense	992,289
Maintenance of effort	147,640
Bad debt expense	46,101
Other	<u>1,843</u>
Total expenses	<u>12,992,432</u>
Operating loss	<u>(377,594)</u>
Nonoperating revenues (expenses)	
Property taxes	328,529
Property taxes for debt service	1,348,483
Interest earnings	159,250
Loss on disposal of capital assets	(110)
Amortization of issuance costs and discount	(11,384)
Interest expense and fiscal charges	<u>(413,236)</u>
Total nonoperating revenues	<u>1,411,532</u>
Change in net assets	1,033,938
Net assets, beginning of year	<u>9,332,226</u>
Net assets, end of year	<u><u>\$ 10,366,164</u></u>

The accompanying notes are an integral part of these financial statements.

**TUSCOLA COUNTY MEDICAL CARE FACILITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2007**

Cash flows from operating activities	
Cash received from customers	\$ 12,186,636
Cash payments to employees	(6,545,435)
Cash payments to suppliers for goods and services	<u>(5,535,640)</u>
Net cash provided by operating activities	<u>105,561</u>
Cash flows from noncapital financing activities	
Property taxes	<u>328,529</u>
Cash flows from capital and related financing activities	
Property taxes for debt service	1,348,483
Proceeds from sale of capital assets	2,195
Acquisition of capital assets	(282,976)
Principal paid on long-term debt	(700,000)
Interest and fiscal charges paid on long-term debt	<u>(382,267)</u>
Net cash used by capital and related financing activities	<u>(14,565)</u>
Cash flows from investing activities	
Interest on investments	159,250
Purchase of investments	<u>(67,588)</u>
Net cash provided by investing activities	<u>91,662</u>
Net increase in cash and cash equivalents	511,187
Cash and cash equivalents, beginning of year	<u>3,047,368</u>
Cash and cash equivalents, end of year	<u><u>\$ 3,558,555</u></u>
Cash flows from operating activities	
Operating loss	\$ (377,594)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	992,289
Bad debt expense	46,101
Changes in assets and liabilities which increase (decrease) cash	
Accounts receivable	(454,390)
Accounts payable	(180,712)
Accrued liabilities	53,679
Unearned revenue	<u>26,188</u>
Net cash provided by operating activities	<u><u>\$ 105,561</u></u>

The accompanying notes are an integral part of these financial statements.

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Tuscola County Medical Care Facility conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant policies.

Reporting Entity

Tuscola County Medical Care Facility (“Medical Care Facility”) is an Enterprise Fund of Tuscola County (the “County”). The Medical Care Facility is a long-term medical care unit owned and operated by Tuscola County. It is governed by the Tuscola County Department of Human Services Board. The Board consists of three members, two of whom are appointed by the Tuscola County Board of Commissioners and one appointed by the Michigan Governor. Further, the Tuscola County Board of Commissioners approves the budget for the facility.

Measurement Focus, Basis of Accounting, and Basis of Presentation

The Medical Care Facility’s operations are reported in an *enterprise fund (a proprietary fund type)*, which is used to account for those operations that are financed and operated in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability. Enterprise funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The Medical Care Facility has elected not to follow subsequent private-sector guidance.

Enterprise funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with ongoing operations. The principal operating revenue of the Medical Care Facility is charges to customers for medical services. The Medical Care Facility also recognizes property tax revenue generated from a millage voted for the

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

purposes of supporting operations as operating revenues. Operating expenses for the Medical Care Facility include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Deposits and Investments

All short-term investments that are highly liquid and have an original maturity of three months or less are considered to be cash equivalents.

Statutory Authority

- Bonds, securities, and other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a qualified institution.
- Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the day of purchase.
- Banker's acceptances of United States banks.
- Obligations of the State of Michigan and its political subdivisions that, at the time of purchase, are rated as investment grade by at least one standard rating service.
- Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- External investment pools as authorized by Public Act 20 as amended through December 31, 1997.

The Medical Care Facility's investment policy allows for Tuscola County to use all of these types of investments when investing on behalf of the Medical Care Facility.

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

Receivables

All receivables are reported at their gross value. Accounts receivable consist of patient receivables that are self-pay and from commercial and third-party insurance payors. Where appropriate, the estimated portion that is expected to be uncollectible is represented as an allowance for uncollectible accounts.

Capital Assets

All purchased capital assets are valued at cost. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years.

Depreciation is recorded using the straight-line method over the following years:

	<u>Years</u>
Land improvements	5-25
Buildings	5-40
Equipment	3-20

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not included in the capital assets.

Restricted Assets

The Medical Care Facility has certain assets which are classified as restricted on the statement of net assets. These funds are monies held in trust for the patients and monies donated to the Medical Care Facility to be used for major capital expenditures.

Patient Trust Funds

The State Department of Treasury requires facilities to administer and account for monies of patients. The patient trust funds liability on the statement of net assets represents patient trust fund deposits.

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

Deposits Payable

The Medical Care Facility requires patients that are new to private pay to make a deposit of \$2,100 before they are admitted. This deposit is used for their last month of residency at the Facility and other remaining amounts due, if any.

Unearned Revenue

Unearned revenues arise when resources are received by the Medical Care Facility before it has a legal claim to them.

Property Taxes

Property taxes attach as an enforceable lien on property as of December 1. The County levies property taxes on December 1 to fund operations for the following year; such taxes are due without penalty on or before February 14, with the final collection date of February 28, before they are added to the County's delinquent tax rolls.

Pension Plan

The provision for pension cost is recorded on an accrual basis. The Medical Care Facility funds pension costs as they accrue in accordance with actuarial requirements.

Risk Management

The Medical Care Facility is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended December 31, 2007, the Medical Care Facility carried commercial insurance to cover all risk of losses. The Medical Care Facility has had no settled claims resulting from these risks that exceeded their commercial coverage in the past three fiscal years.

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

2. DEPOSITS AND INVESTMENTS

	<u>Carrying Amount</u>
Financial Statement Captions:	
Cash and cash equivalents	\$ 2,307,504
Investments	1,626,511
Restricted cash	<u>1,251,051</u>
Total	<u>\$ 5,185,066</u>
Notes to financial statements	
Deposits	\$ 3,558,355
Investments	1,626,511
Cash on hand	<u>200</u>
Total	<u>\$ 5,185,066</u>

Deposits and Investments

The Medical Care Facility chooses to disclose its investments by specifically identifying each. As of year end, the Medical Care Facility had the following investments:

<u>Investment</u>	<u>Maturity In years</u>	<u>Fair Value</u>	<u>Ratings</u>
Michigan Class Accounts	N/A	<u>\$ 1,626,511</u>	F1-F1+, Fitch

Investment and deposit risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in Note 1 of the summary of significant accounting policies. The Medical Care Facility's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in Note 1 of the summary of significant accounting policies. The Medical Care Facility's investment policy does not have specific limits in excess of state law on investment credit. The ratings for each investment are identified above for investments held at year end.

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Medical Care Facility's deposits may not be returned. State law does not require and the Medical Care Facility does not have a policy for deposit custodial credit risk. Because the deposits are in the name of the County Treasurer, the risk associated with these deposits is not determinable.

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Medical Care Facility will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the Medical Care Facility does not have a policy for investment custodial credit risk. However, while uninsured and unregistered, the Medical Care Facility's funds are not exposed to custodial credit risk since the securities are held in the counterparty's trust department in the Medical Care Facility's name.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1 of the summary of significant accounting policies. The Medical Care Facility's investment policy does not have specific limits in excess of state law on concentration of credit risk. More than 5 percent of the Medical Care Facility's investments are in Michigan Class Accounts. All investments held at year end are reported above.

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2007, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Construction in progress	\$ 31,425	\$ -	\$(31,425)	\$ -
Capital assets				
Land improvements	\$ 710,726	\$ 7,087	\$ -	\$ 717,813
Building	9,677,887	142,126	(1,547)	9,818,466
Equipment	<u>6,576,950</u>	<u>133,763</u>	<u>(1,681)</u>	<u>6,709,032</u>
Total capital assets being depreciated	<u>16,965,563</u>	<u>282,976</u>	<u>(3,228)</u>	<u>17,245,311</u>

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Less accumulated depreciation				
Land improvements	\$ (90,787)	\$ (47,657)	\$ -	\$ (138,444)
Building	(1,401,539)	(513,544)	1,487	(1,913,596)
Equipment	<u>(957,968)</u>	<u>(431,088)</u>	<u>818</u>	<u>(1,388,238)</u>
Total accumulated depreciation	<u>(2,450,294)</u>	<u>(992,289)</u>	<u>2,305</u>	<u>(3,440,278)</u>
Total capital assets being depreciated, net	<u>14,515,269</u>	<u>(709,313)</u>	<u>(923)</u>	<u>13,805,033</u>
Capital assets, net	<u>\$ 14,546,694</u>	<u>\$ (709,313)</u>	<u>\$ (32,348)</u>	<u>\$ 13,805,033</u>

4. LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2007, was as follows:

	<u>Balance January 1, 2007</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Balance December 31, 2007</u>	<u>Due within one year</u>
Bonds payable, Medical Care Facility expansion, maturing in annual installments of \$550,000 to \$1,200,000 through June 1, 2017. Interest varies from 7.2 to 8.7%.	<u>\$ 10,475,000</u>	<u>\$ -</u>	<u>\$ (700,000)</u>	<u>\$ 9,775,000</u>	<u>\$ 775,000</u>

General obligation bond debt service requirements to maturity are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 775,000	\$ 359,647
2009	800,000	334,529
2010	850,000	307,300
2011	950,000	275,963
2012	950,000	241,050
2013-17	<u>5,450,000</u>	<u>585,781</u>
	<u>\$ 9,775,000</u>	<u>\$ 2,104,270</u>

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

5. PENSION PLAN

Plan Description. The Medical Care Facility's defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Medical Care Facility participates in the Municipal Employees Retirement System of Michigan (MERS), an agent multiple-employer plan administered by the MERS Retirement Board. Act No. 427 of the Public Acts of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. The Municipal Employees Retirement System of Michigan issues a publicly available financial report that includes financial statements and required supplementary information for MERS. That report may be obtained by writing to the Municipal Employees Retirement System of Michigan, 1134 Municipal Way, Lansing, Michigan 48917, or by calling (800) 767-6377.

Funding Policy. The Medical Care Facility is required to contribute at an actuarially determined rate; however, they were not required to contribute to the plan for the current year. Medical Care Facility employees are required to contribute 3.0%-5.0% of their annual covered payroll. The contribution requirements of the Medical Care Facility are established and may be amended by the Retirement Board of MERS. The contribution requirements of plan members, if any, are established and may be amended by the Medical Care Facility, depending on the MERS contribution program adopted by the Medical Care Facility.

Annual Pension Cost. For the year ended December 31, 2007, the Medical Care Facility had no annual pension cost which equaled their required amount and did not elect to make any additional MERS contributions. The required contribution rate was determined as part of the December 31, 2005, actuarial valuation using the entry age actuarial cost method.

The Medical Care Facility's annual pension cost and net pension obligation to MERS for the current year were as follows:

Annual required contribution	\$ -
Less: Interest on net pension asset	(14,884)
Plus: Adjustment to annual required contribution	<u>15,509</u>
Annual pension cost	625
Contributions made	<u>-</u>
Increase in net pension asset	625
Net pension (asset), beginning of year	<u>(186,048)</u>
Net pension (asset), end of year	<u>\$ (185,423)</u>

TUSCOLA COUNTY MEDICAL CARE FACILITY

NOTES TO FINANCIAL STATEMENTS

The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 8%, (b) projected salary increases of 4.5% per year compounded annually, attributable to inflation, and (c) additional projected salary increases of 0% to 4.16% per year, depending on age, attributable to seniority/merit. The actuarial value of MERS assets was determined on the basis of a valuation method that assumes the fund earns the expected rate of return, and includes an adjustment to reflect fair value. The Medical Care Facility's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2006, the date of the latest actuarial valuation, was 32 years.

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Asset</u>
12/31/05	\$ 0	100%	\$ 174,624
12/31/06	0	100	186,048
12/31/07	0	100	185,423

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) -Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/04	\$ 8,805,851	\$ 7,481,746	\$ (1,324,105)	118%	\$ 4,491,087	(29)%
12/31/05	9,179,884	7,958,259	(1,221,625)	115	4,912,174	(24)
12/31/06	9,725,999	8,299,125	(1,426,874)	117	5,971,270	(23)

* * * * *